

AN ORDINANCE

01-0 -1342

BY COMMUNITY DEVELOPMENT/HUMAN RESOURCES COMMITTEE

AN ORDINANCE TO CREATE THE CUSTER AVENUE SUBDIVISION HOUSING ENTERPRISE ZONE; AND FOR OTHER PURPOSES.

WHEREAS, an amendment to the Constitution of the State of Georgia was adopted by referendum in November 1982 giving the Council of the City of Atlanta power to create urban enterprise zones in the City of Atlanta; and

WHEREAS, enabling legislation known as the Atlanta/Fulton County Urban Enterprise Zone Act was enacted by the Georgia General Assembly and signed by the Governor in March 1983 and subsequently amended; and

WHEREAS, the Atlanta/Fulton County Urban Enterprise Zone Act gives the Council of the City of Atlanta authority to designate areas within the City as urban enterprise zones for housing purposes if certain conditions are met; and

WHEREAS, designation of a Housing Enterprise Zone exempts the taxable value of property within the zone only from ad valorem taxes for City purposes, but the Board of Commissioners of Fulton County, by appropriate resolution, may exempt from ad valorem taxation for County purposes the taxable value of the same property exempted by the City; and

WHEREAS, types of property may be exempted, conditions must be met by owners of private property to qualify for an exemption, period and rate of exemptions, and elections may be made by the Atlanta City Council among various types of exemptions which are specified by State law; and

WHEREAS, State law provides that an exemption from ad valorem taxation for City purposes also includes, but is not limited to, school and educational purposes; and

WHEREAS, the City of Atlanta Development Impact Fee Ordinance provides that, under certain conditions, the City may exempt development in urban enterprise zones from the requirement to pay development impact fees; and

WHEREAS, it is the expressed intent of the Atlanta City Council to use urban enterprise zone legislation as an incentive to generate private investment in areas of the City which otherwise might not attract such investments for housing construction and job creation purposes; and

WHEREAS, the conditions and qualifications of the Atlanta Urban Enterprise Zone Act, as amended, have been met relative to the creation of The Custer Avenue Subdivision Housing Enterprise Zone;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS AS FOLLOWS:

Section 1: It is found by the Council of the City of Atlanta that the area in and around the Custer Avenue area, location of the Custer Avenue Subdivision Housing Enterprise Zone is economically and socially depressed. It is further found that areas such as this contribute to or cause unemployment, create an inordinate demand for public services and, in general, have a deleterious effect on the public health, safety, welfare and morals. It is further found that these areas, as is the case with the Custer Avenue area, are characterized by no investment or under-investment by private enterprise in ventures which produce jobs, trade, provision of services, and economic activities which individually and together contribute to a healthy society. This lack of private investment and activity contributes to social and economic depression in such areas. Therefore, it is in the public interest that incentives be provided to private enterprise to invest in such areas, and that such private enterprise place priority upon the employment of those residents in those economically and socially depressed areas designated herein as urban enterprise zones.

Section 2: The Custer Avenue Subdivision Housing Enterprise Zone is hereby created. The effective date of all exemptions established therein shall be January 1, 2002. The Custer Avenue Subdivision Housing

Enterprise Zone shall be expired on December 31, 2011. The Custer Avenue Subdivision Housing Enterprise Zone shall otherwise not be abolished except as provided in State law. A legal description of The Custer Avenue Subdivision Housing Enterprise Zone is attached hereto as "Exhibit A", and made a part hereof, and shall be on file in the Bureau of Planning and the Office of the Municipal Clerk.

Section 3: Twenty percent (20%) of the total units to be provided, and ten percent (10%) of the units in each housing type and bedroom composition, shall be within the ability to pay of those households whose annual income does not exceed sixty percent (60%) of the median family income for the Atlanta metropolitan statistical area as most recently published by the United States Department of Housing and Urban Development (HUD), and as adjusted for household size in accordance with HUD procedures. For said units, the property owner shall verify each tenant's household income at the time that said tenant initially executes a lease agreement. Furthermore, the property owner, by January 31 of each year, shall submit a report to the Commissioner of Planning, Development, and Neighborhood Conservation, indicating the household income of each tenant who executed a lease agreement during the previous calendar year.

Section 4: The Municipal Clerk is hereby directed to transmit a copy of this Ordinance as well as the legal description of The Custer Avenue Subdivision Housing Enterprise Zone to the Tax Commissioner of Fulton County, to the Commissioner of the Department of Community Affairs of the State of Georgia, and to the Superintendent of the Atlanta Board of Education immediately upon approval by the Mayor of the City of Atlanta.

Section 5: That all ordinances and parts of ordinances in conflict herewith are hereby repealed.

Exhibit A

Proposed Custer Avenue Subdivision
Housing Enterprise Zone

TO BE ATTACHED TO AND MADE A PART OF THAT CERTAIN LIMITED
WARRANTY DEED FROM ATLANTA-EAST, INC., GRANTOR, TO MOHAMAD
MUTAZ MALAK, GRANTEE DATED _____.

PARCEL 1:

All that tract or parcel of land lying and being in Land Lot 24 of the 14th District of Fulton County, Georgia, and being more particularly described as follows:

BEGINNING at an iron pin on the south side of Casanova Street 200 feet east, as measured along the south side of Casanova Street, from the southeast corner of the intersection of Casanova Street and Funston Street; thence running North 89 degrees 10 minutes East along the south side of Casanova Street 200 feet to an iron pin; thence running North 1 degree 32 minutes West 50 feet to an iron pin on the north side of Casanova street; thence running North 89 degrees 10 minutes East 530 feet to an iron pin; thence running North 0 degrees 2 minutes West 262.6 feet to a point; thence running east 10 feet to an iron pin; thence running North 4 degrees 51 minutes West 137.8 feet to an iron pin on the south side of Custer Avenue; thence running North 88 degrees 58 minutes East along the south side of Custer Avenue 345.7 feet to a point; thence running South 14 degrees East 122.6 feet; thence running North 89 degrees 28 minutes East 498.9 feet to an iron pin; thence running South 0 degrees 10 minutes East along the east line of said Land Lot 24, 600.5 feet to an iron pin; thence running South 89 degrees 50 minutes West 836 feet to a point; thence running South 0 degrees 10 minutes East 468 feet to a point on the south line of said Land Lot 24; thence running South 89 degrees 50 minutes West along the south line of said land lot 640 feet to an iron pin; thence running North 2 degrees 45 minutes West 47.42 feet to an iron pin; thence running North 4 degrees 53 minutes East 328 feet

Exhibit A
Legal Description

Proposed Custer Avenue Subdivision
Housing Enterprise Zone

to an iron pin; thence running South 88 degrees 56 minutes West 160 feet to a point; thence running North 1 degree 2 minutes East 349.07 feet to the point of beginning; LESS AND EXCEPT therefrom that portion of the above described property which was conveyed by Boulevard Custer Corp. to the City of Atlanta, by Warranty Deed recorded in Deed Book 4356, page 503, Fulton County Records.

And being the same property that was conveyed by Limited Warranty Deed from THE CITIZENS AND SOUTHERN NATIONAL BANK, as Grantor to DAN E. SEWELL, as Grantee, dated, filed and recorded December 4, 1978 in Deed Book 7117, Page 427, Fulton County Records.

PARCEL 2:

ALL THAT TRACT AND PARCEL OF LAND lying and being in Land Lot 24, of the 14th District of Fulton County, Georgia and containing 0.26 acres and being more particularly described as follows:

BEGINNING at a point on the west line of property formerly owned by W. James Wilson six hundred and five (605) feet, more or less (same being 598.6' per Compiled Cadastral Map, Atlanta-Fulton County Joint Planning Board 3-22-68), south of the south line of Casanova Street on a line which is parallel to and two hundred (200) feet east of Funston Street, and running thence south along said west line of said Wilson property forty-three and six-tenths (43.6) feet; thence, south 61 degrees 39 minutes east, one hundred fifty-eight and four tenths (158.4) feet to an iron pin; thence, north 2 degrees 45 minutes west along the east line of property formerly of said W. James Wilson fifty (50) feet (same being 47.42' per Deed Book 7117, Page 428) to another iron pin; thence, continuing along said east line of said W. James Wilson north four degrees 53 minutes east seventy-three (74) feet; thence, west one hundred and sixty (160) feet to west

Exhibit A
Legal Description

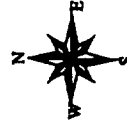
Proposed Custer Avenue Subdivision
Housing Enterprise Zone

line of property of former W. James Wilson and the point of beginning.

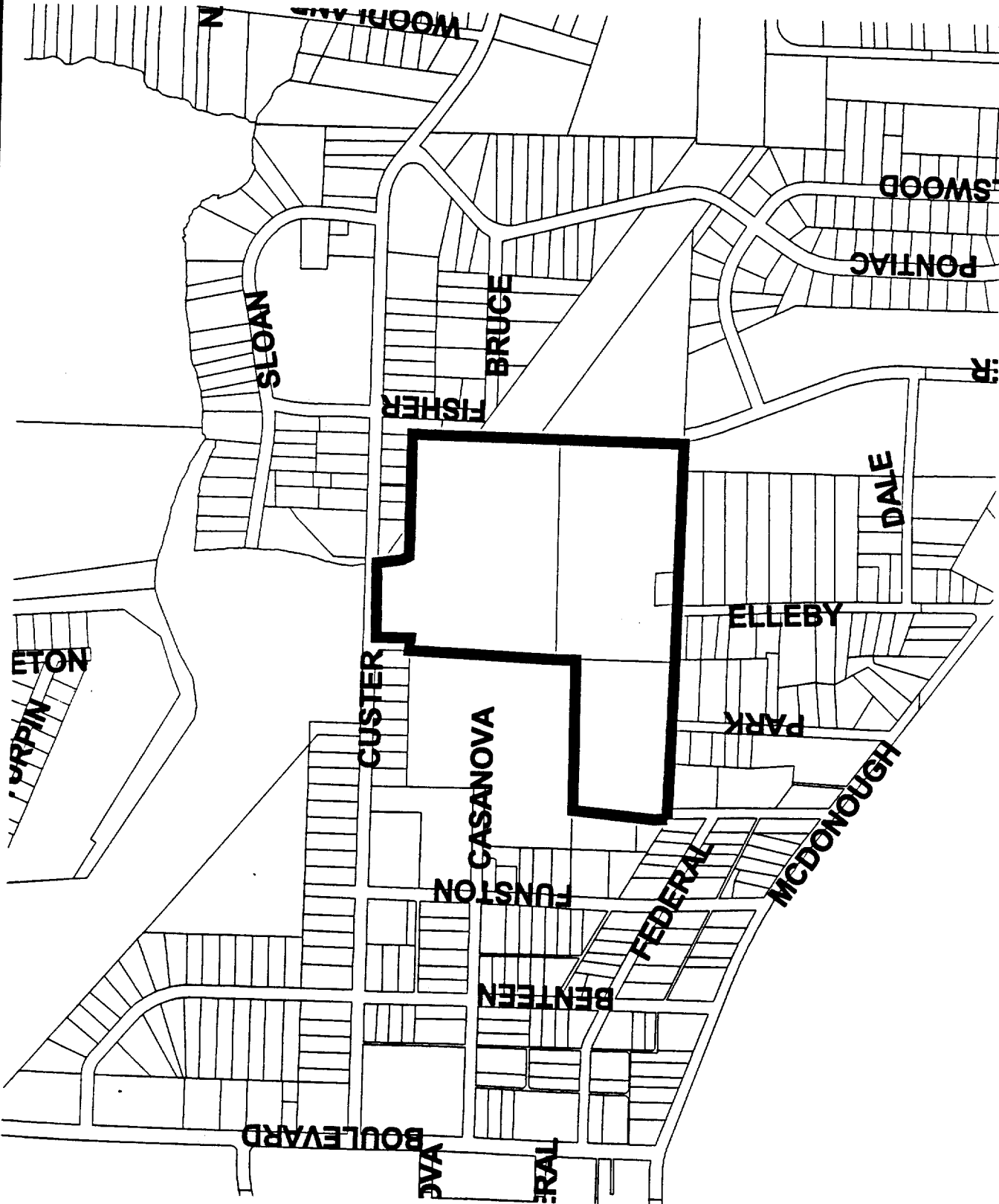
And being the same property that was conveyed by Warranty Deed from W. JAMES WILSON, as Grantor to WALTER JAMES WILSON, JR., as Grantee, dated May 16, 1967, filed July 28, 1967 and recorded August 2, 1967 in Deed Book 4767, Page 333, Fulton County Records.

Exhibit B
Project Location Map

Proposed Custer Avenue Subdivision
Housing Enterprise Zone



▬ Np-u-w-streets
▬ Np-u-w-parcels



CUSTER AVENUE SUBDIVISION

Exhibit C
Acknowledgement Letter

Proposed Custer Avenue Subdivision
Housing Enterprise Zone



CITY OF ATLANTA

DEPARTMENT OF PLANNING, DEVELOPMENT AND NEIGHBORHOOD CONSERVATION
68 MITCHELL STREET, S.W. SUITE 3350 • ATLANTA, GEORGIA 30335-0308
404-330-6145 • FAX: 404-658-7491

BILL CAMPBELL
MAYOR

MICHAEL A. DOBBINS
Commissioner

TIM POLK
Deputy Commissioner

ROBERT C. GRAY
Director

Bureau of Planning

July 3, 2001

Brad Thompson/David Richardson
Capital City Partners, Inc.
4180 Providence Road, #325
Marietta, GA 30062

Dear Sirs:

We have received your application for designation of the Custer Avenue Subdivision as a Housing Enterprise Zone. Our staff is currently reviewing the application with regard to the City's criteria for urban enterprise zone designation.

We have scheduled a presentation of the application to Neighborhood Planning Unit W on Tuesday, July 24, 2001 at 7:30 p.m. at the Georgia Hill Facility, located at 250 Georgia Avenue, SE. The chair of NPU - W is Rev. Dolly Mahone, who may be reached at (404) 377-9741. Please be present at the NPU - W meeting to briefly present your proposal and to answer any questions regarding your application.

Additionally, the Community Development and Human Resources Committee of the Atlanta City Council will hold a public hearing on your application on Tuesday, September 25, 2001 at 6:00 p.m. in the Council Chambers at City Hall. Please be present at the hearing to briefly present your proposal and to answer any questions regarding this application.

Should you require any further information, please contact Sara Wade Hicks at (404) 330-6728 or Valerie Bell-Smith at (404) 330-6899.

Sincerely,

Robert Gray
Robert Gray

cc: Michael Dobbins, Commissioner
Tim Polk, Deputy Commissioner
Sara Wade Hicks, Assistant Director
Racquel Clement, NPU - V Planner

RG/vbs

**Exhibit D
Evaluation Checklist**

Proposed Custer Avenue
Housing Enterprise Zone

**EVALUATION OF PROPOSED CUSTER AVENUE SUBDIVISION
HOUSING ENTERPRISE ZONE**

Criterion	Required	Proposed	Compliance
1. Eligibility Criteria a. Evidence of Pervasive Poverty b. Unemployment c. General Distress (High Crime or Vacant/Abandoned Buildings) d. Underdevelopment	Area must meet 3 out of 4 Criteria a. Poverty rate of $\geq 20\%$ b. Census tract job loss $\geq 10\%$ of State average <u>4.0</u> c. High Crime or Vacant/Abandoned Buildings d. Lack of development activity $< 20\%$ for NPU as compared to the city as a whole	a. Poverty rate of $\geq 20\%$ for CT 69 BG 2 b. 5.1% d. -2% Residential Building Permits for NPU-W	√
2. Acreage	NONE	26 Acres	√
3. CDP Consistency	Single-Family Residential F.A.R. = N/A	Single-Family Residential F.A.R. = .131	√
4. Zoning Compliance	PD-H	PD-H	√
5. Project Specificity	Project Specific Zone or $\geq 50\%$ of Areawide Zone	Project Specific Zone	√
6. Project Readiness	$\geq 30\%$ of Units to be Initiated in Year 1	$\geq 30\%$ in first year	√
7. Non-Displacement	Minimum Displacement	None	√
8. Affordability (Housing and Mixed-Use Residential/Commercial Enterprise Zones)	20% of total units and 10% of each housing type is affordable to households whose income does not exceed 60% of the median for the Atlanta MSA (low income). 20% must bear monthly rents $\leq 30\%$ of low income level, adjusted by family size. 20% must bear purchase prices $\leq \$120,340$ or 2.2 median income for the Atlanta MSA.	20% of total units and 10% of each housing type is to be affordable to households whose income does not exceed 60% of the median for the Atlanta MSA (low income).	√
9. Provision for Atlanta police officers and their families (Housing and Mixed-Use Residential/Commercial Enterprise Zones)	5% of available units to be offered to Atlanta police officers and their families at purchase prices or monthly rents which do not exceed the low-income level of affordability	Proposes to comply	√
10. Financial Feasibility	<u>sales</u> - affordable units $\geq 20\%$ of total without exemption, or <u>rental</u> (cumulative basis over the 1 st five years) - a. negative cash flow, or b. debt coverage ratio < 1.20 , or c. a variable-ratio DCR equivalent to said fixed-rate ratio, based upon reasonable assumptions as certified		TBD

Exhibit E

2001 HUD Income Limits/Affordability

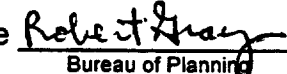
FAMILY SIZE (% OF BASE)	INCOME ADJUSTMENT	LIVING ACOMODATIONS EXPENSES (<30%)	MAXIMUM RENTS
1 PERSON (70%)	\$27,930.00	\$8,379	\$698
2 PERSON (80%)	\$31,920.00	\$9,576	\$798
3 PERSON (90%)	\$35,910.00	\$10,773	\$898
4 PERSONS - BASE	\$39,900.00	\$11,970	\$998
5 PERSONS (108%)	\$43,092.00	\$12,928	\$1,077
6 PERSONS (116%)	\$46,284.00	\$13,885	\$1,157
7 PERSONS (124%)	\$49,476.00	\$14,843	\$1,237
8 PERSONS (132%)	\$52,668.00	\$15,800	\$1,317
Maximum Sales Price \$146,300 (2.2 Rule / 2.2 times the Median Income)			
ASSUMPTIONS: Median Income \$66,500 - SMSA Rent Range is Determined by the Number of Rooms Per Unit and the Atlanta Housing Code Maximum Allowable Persons per Room - 2; A Two-Bedroom Apartment Unit Could Not House More Than a Four Person Household.			

TRANSMITTAL FORM FOR LEGISLATION

To Mayor's Office: Greg Pridgeon

(For review & distribution to Executive Management)

Commissioner Signature 
Department of Planning

Director Signature 
Bureau of Planning

From: Department of Planning, Development Contact: Robert Gray
Neighborhood Conservation

Committee(s) of Purview: Community Development / Human Resources

Committee Meeting Date (s) 9/12 CD, 9/25 Public Hearing
9/26 CD

Committee Deadline 8/31
City Council Meeting Date 9/17 & 10/1

CAPTION:

AN ORDINANCE TO CREATE THE CUSTER AVENUE SUBDIVISION HOUSING ENTERPRISE ZONE; AND FOR OTHER PURPOSES.

BACKGROUND/PURPOSE/DISCUSSION:

Capital City Partners, Inc. seeks to develop 93 single-family homes in the Benteen Park Community. The homes will include rear garages and sitting porches with contemporary streetscape and landscape treatments. Floor plans include bungalow, single and 2-story designs with three- and four-bedrooms. The property consists of 26 acres and is located in Neighborhood Planning Unit-W, Council District 1, the Benteen neighborhood. Total development cost is estimated to be \$3.5 million.

FINANCIAL IMPACT (if any):

The Department of Finance is conducting a fiscal impact analysis for the proposed zone.

Mayor's Staff Only

Received by Mayor's Office: 8/27/01

Date

Reviewed: 

Initials

Date

Submitted to Council _____

Date

Action by Committee: ☐ Approved ☐ Adversed ☐ Held ☐ Amended
☐ Substitute ☐ Referred ☐ Other